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**EFFECTIVE**

December 1, 2019.

**Subject(s)**

1. Asset limits.
2. FAP vehicle exclusion.
3. Verification requirements.
4. Lottery match.
5. Miscellaneous.

**1) Asset Limits****FIP, SDA, RCA****BEM 400**

There is a \$15,000 or less asset limit for cash, investments and retirement plans. The real property asset limit for the cash programs remains \$200,000.

**FAP**

There is a \$15,000 or less asset limit.

*Reason:* MDHHS Executive Directive.

**2) Vehicles****FAP****BEM 400**

Vehicles are now an excluded asset.

*Reason:* MDHHS Executive Directive.

**3) Verification Requirements****FIP, SDA, RCA and FAP****BEM 400**

If questionable, verify countable assets at application, semi-annual, mid-certification, redetermination and when a change is reported. Examples include, but are not limited to, recent program closure or denial due to excess assets and a new application is received with an asset balance now under the asset limit, or the client is reporting that they are close to the asset limit.

**Example:** Aaron applies for cash and FAP. Aarons's total liquid assets are close to the asset limit. The specialist determines during a conversation with the client the amount reported is questionable. Verification of the assets is requested.

**Exception 1:** Client statement is not an acceptable verification for trusts and annuities.

**Exception 2:** Client statement is not an acceptable verification for asset detection unless previously reported.

**Exception 3:** For FAP, client statement is not an acceptable verification for asset transfers/divestment.

If questionable, verify the following factors affecting exclusion of an asset at application, redetermination and when a change is reported:

- An asset in not available.
- Joint owndership prevents sale (other owner refuses to sell).
- There is a written agreement to repair/replace a damaged or destroyed homestead (cash exclusion for FIP, SDA and RCA).
- There is a written agreement to purchase another homestead.
- The asset is a bona fide loan.

*Reason:* MDHHS Executive Directive.

#### 4) Lottery Match

##### **FIP and SDA**

If winnings are \$15,000 or less, send a verification request to determine if the client is over the asset level.

If winnings are over \$15,000 take appropriate action to close the case; clients are allowed timely notice.

##### **FAP**

Change Reporters and Simplified Reporters.

If winnings are \$15,000 or less, send a verification checklist request to determine if the client is over the asset level.

If the winnings are over \$15,000, take appropriate action to close the case; clients must be given timely notice.

*Reason:* Change in the asset limit.

## **5) Miscellaneous**

### **FAP**

#### **BEM 406**

Divestment examples were updated to accommodate the new asset limit.

**MANUAL  
MAINTENANCE  
INSTRUCTIONS**

**Changed Items ...**

[BAM 809](#)

[BEM 400](#)

[BEM 406](#)